
Senate Committee on Commerce and Economic Opportunities

COMMERCE AND ECONOMIC/COMMUNITY DEVELOPMENT

CS/CS/CS/SB 406 — Economic Development

by Fiscal Policy Committee; Commerce & Economic Opportunities Committee; Comprehensive Planning, Local & Military Affairs Committee; and Senators Hargrett, Latvala, Holzendorf, Childers, Laurent, and Meek

Community Development Initiatives

The bill creates the Community and Faith-based Organizations Initiative (initiative) within the Institute on Urban Policy and Commerce at Florida Agricultural and Mechanical University (institute) for the purpose of promoting community development in low-income communities through partnerships with community and faith-based organizations. The initiative is to include: professional skill development; internships; an annual conference to promote “best practices” regarding the creation, operation, and sustainability of community and faith-based organizations; and the development of course materials related to community development. In addition, the initiative includes a grant program to provide financial assistance to community and faith-based organizations for partnerships with universities and the operation of programs to build strong communities and future community development leaders.

The bill authorizes the Division of Library and Information Services (division) of the Department of State to provide funding for e-rate eligible public libraries, located in distressed areas of the state, to provide technology access and training to community and faith-based organizations as part of a new Community and Library Technology Access Partnership (partnership). In addition, the partnership is to provide a method of assessment to measure the progress that e-rate eligible public libraries are making in training individuals to succeed in the information economy.

The bill establishes a Community High-Technology Investment Partnership (CHIP) program to assist distressed urban communities in securing computers for access by youth between the ages of 5 years and 18 years who reside in these communities. Under this program, neighborhood facilities, including units of local government, not-for-profit faith-based organizations, not-for-profit civic associations or homeowners’ associations, and other not-for-profit organizations, may apply to the institute for grants to purchase computers that will be available for use by eligible youths who reside in the immediate

vicinity of the neighborhood facility. The division must enter into a performance-based contract with the institute for the administration of the program.

The Inner City Redevelopment Assistance Grants Program is created by the bill to be administered by the Office of Tourism, Trade, and Economic Development (OTTED) within the Executive Office of the Governor. The office must develop criteria for awarding the grants with preference being given to urban high-crime areas as identified by the Florida Department of Law Enforcement and opportunities for immediate job creation for residents in the targeted areas. Furthermore, the bill creates the Inner City Redevelopment Review Panel within OTTED to review proposals under this grant program.

The bill provides a sales tax exemption for building materials used in the construction of single-family homes in certain economically distressed areas, and for building materials used in the conversion of an existing manufacturing or industrial building to housing or mixed-use units in brownfields, and certain economically distressed areas. The mixed-use units must include artists' studios, art and entertainment services, or other compatible uses; at least 20 percent of the square footage must be set-aside for low-income and moderate income housing. The bill further directs the Department of Community Affairs to recommend new economic incentives or revisions to existing incentives to promote the reuse of vacant industrial and manufacturing facilities for affordable housing and mixed-use development. The report must include any recommendations relating to the Brownfields Redevelopment Act, for revising liability protection or economic incentives to promote reuse of such facilities.

International Trade

The bill provides for the creation of the Florida-Caribbean Basin Trade Initiative by the Seaport Employment Training Grant Program (STEP) to assist small- and medium-sized businesses to become involved in international trade activities in the Caribbean Basin. The initiative must focus assistance to businesses in urban communities, and must offer these businesses export readiness, assistance and referral services, internships, seminars, workshops, conferences, e-commerce, mentoring, and matchmaking services. The initiative must coordinate with, and not duplicate, services offered by Enterprise Florida, Inc. STEP is required to administer the initiative pursuant to a performance-based contract with the Office of Tourism, Trade, and Economic Development.

Space Industry Development

The bill revises the membership of the Florida Space Research Institute (institute) board, to add a representative from the Space Business Roundtable and to add one representative from a community college and one representative from a public or private university. The

bill requires the members of the board to annually select one of the members to serve as chair, who shall be responsible for convening and leading meetings of the board. The bill also expands the responsibilities of the institute's lead university, and expands the responsibilities of the institute, to include, among other duties, forming research partnerships with the National Aeronautics and Space Administration.

The bill creates the Space Industry Workforce Initiative (initiative) to support programs designed to address the workforce development needs of the space industry in the state by directing the Workforce Development Board of Enterprise Florida, Inc., to coordinate development of the initiative in partnership with the institute and the institute's consortium of public and private universities, community colleges, and other training providers approved by the board. The purpose of the initiative is to use or revise existing programs and to develop innovative new programs to address the workforce needs of the space industry.

Economic Development Initiatives

The bill creates the Toolkit for Economic Development (TED) program for the purpose of enabling economically distressed communities to access easily, and use effectively, federal and state tools to improve conditions in the communities and thereby help needy families in the communities avoid public assistance, retain employment, and become self-sufficient. The toolkit comprises six initiatives, or "tools," to meet the program's stated purpose: Liaisons, Coordinating Partners, Fee Waivers and Matching Fund Options, Inventory, Start-Up Initiatives, and Communities of Critical Economic Opportunity.

Liaisons

Twenty-two entities are required to designate high-level individuals to serve as liaisons for the TED program. The liaison serves as the primary contact for the entity for the TED program to: assist and expedite proposal review, resolve problems, promote flexible assistance, and identify opportunities for support within the entity.

Coordinating Partners

The liaisons from the WAGES State Board of Directors, the Office of Urban Opportunity, the Department of Community Affairs, Enterprise Florida, Inc., and the Workforce Development Board must serve as coordinating partners for the TED program, acting as an executive committee for the liaisons.

Matching Fund Options

An agency or organization may waive any state-required matching-funds at the request of the coordinating partners. In addition, any in-kind matches may be allowed and applied as matching-funds at the request of the coordinating partners. The

coordinating partners must unanimously endorse each request to an agency or organization.

Inventory

The coordinating partners must develop an inventory of recommended federal and state tax credits, incentives, inducements, programs, opportunities, demonstrations or pilot programs, grants, and other resources available through the agencies and organizations which could assist Front Porch Florida or economically distressed communities. The inventory must be organized into seven categories including: leadership, safety, clean up, business, schools, partners, and redevelopment.

Start-Up Initiative

To get the communities started using the inventory created in the bill, the coordinating partners must identify 15 communities (seven of which must be from the state's seven largest counties, three of which must be from rural counties, and five of which must be from other counties) and solicit applications from these communities and Front Porch Florida communities for nine Start-Up Initiative awards. These communities must pledge local resources and plan to use the inventory's programs to make their community rapidly become more economically self-sufficient. The coordinating partners must provide assistance with inventory programs and back-up funding to effectuate the nine communities' proposals.

Communities of Critical Economic Opportunity

The coordinating partners may recommend to the Governor that up to three "communities of critical economic opportunity" be created. Such communities must be economically distressed, presenting a unique economic development opportunity that will create more than 1,000 jobs over five years. If designated as such, the areas shall be priority assignments for the liaisons and coordinating partners.

The bill provides \$25 million from non-recurring Temporary Assistance to Needy Families (TANF) funds to the TANF administrative entity at the Department of Management Services to implement the TED program. All TANF expenditures must be in accordance with the requirements and limitations of Title IV of the Social Security Act, as amended, or any other applicable federal requirement or limitation in law. The TED program is repealed on June 30, 2002.

This bill provides for measurement of the performance of the TED program, by requiring the Office of Program Policy Analysis and Government Accountability to develop measures and criteria by October 1, 2001, to evaluate the effectiveness of the TED program, including the Liaisons, Coordinating Partners, Waivers and Matching Options, Inventory, Start-Up Initiative, and Communities of Critical Economic Opportunity.

If approved by the Governor, these provisions take effect July 1, 2000.

Vote: Senate 39-0; House 120-0

CS/CS/SB 2578 — Neighborhood Revitalization

by Commerce & Economic Opportunities Committee; Fiscal Resource Committee; and Senator Hargrett

Community Development

The bill provides a sales tax exemption for building materials used in the construction of single-family homes in certain economically distressed areas, and for building materials used in the conversion of an existing manufacturing or industrial building to housing or mixed-use units in brownfields and certain economically distressed areas. The mixed-use units must include artists' studios, art and entertainment services, or other compatible uses; at least 20 percent of the square footage must be set-aside for low-income and moderate income housing. The bill further directs the Department of Community Affairs to recommend new economic incentives or revisions to existing incentives to promote the reuse of vacant industrial and manufacturing facilities for affordable housing and mixed-use development. The report must include any recommendations relating to the Brownfields Redevelopment Act, for revising liability protection or economic incentives to promote reuse of such facilities.

Private Activity Bonds & Affordable Housing

The bill makes a number of changes to private activity bond provisions and affordable housing programs. Specifically, the bill:

- Effective January 1, 2001, lengthens the time period during which bonds must have been issued and written notice of the issuance must have been provided to the director of the Division of Bond Finance from 90 to 155 calendar days after the date the confirmation was issued or December 29, whichever occurs first. Changes the deadline whereby agencies must notify the Division of Bond Finance if they have failed to issue bonds pursuant to the written confirmation from 95 days to 160 days. Clarifies that, upon issuance of bonds, the agency issuing the bonds must notify the division by telephone on the day of the issuance and send a written report to arrive no later than the next business day.
- Effective January 1, 2001, extends the time period for utilization of the state private activity pool and the Florida First Business Pool for priority projects from April 1 to June 1.
- Effective January 1, 2001, conforms the time periods for obtaining a written confirmation for the state allocation pool to the new June 1 date and provides that

the notice of intent to issue must be filed with the division no later than May 1, instead of the March 1 date of current law.

- Effective January 1, 2001, amends s. 159.809, F.S., relating to the recapture of unused amounts. The amendments include: requiring that on June 1 of each year, any portion of each allocation for which the division has not issued a written confirmation shall be added to the Florida First Business Allocation Pool; on July 1 of each year, any portion of each allocation made to the Florida Housing Finance Agency for use in connection with the issuance of housing bonds for which the division has not issued a written confirmation or has not received an issuance report shall be added to the Florida First Business allocation pool; and on October 1 of each year, any portion of the allocation made to the Florida First Business allocation pool which is eligible for carryforward, but which has not been certified, shall be returned to the Florida First Business allocation pool.
- Effective January 1, 2001, amends s. 159.81, F.S., to provide authorization for certain carryforward requests.
- Effective upon the act becoming effective, and operating retroactively to January 1, 2000, revises the current low-income housing property exemption to provide that property used to provide affordable housing serving eligible persons as defined by s. 159.603(7), F.S., and persons having eligible incomes as defined by s. 420.0004, F.S., shall be exempt from ad valorem taxation.
- Provides specific rule making authority to the Florida Housing Finance Corporation which matches the existing rule and practice of the corporation in permitting the reservation of future allocation or funding to provide a remedy for an applicant which appeals the status of its application, in order to avoid the cessation of all funding in the event of litigation. Grants specific authority for the designation by the board of the Florida Housing Finance Corporation of private activity allocations between single and multifamily housing.
- Changes the Predevelopment Loan Program to allow the corporation to forgive certain loans and convert the loans to grants where the sponsor of the loan is unable to obtain construction or permanent financing for the development. However, the corporation may not forgive any portion of the loan that is secured by a mortgage to the extent the loan could be repaid from the sale of the mortgaged property. In addition, sponsors of farmworker housing receive first priority under the program. Provides that the rate of interest of the loans can be set between 0 and 3 percent per year.
- Changes the date the Affordable Housing Study Commission submits its annual report from December 31 to July 15 of each year, beginning with the 2001 annual report. The commission must submit the report to the executive director of the corporation in addition to the secretary of the Department of Community Affairs.
- Provides for the calculation of annual gross income under the State Housing Initiatives Partnership (SHIP) Program by annualizing verified sources of income instead of projecting the prevailing rate of income. Also modifies the definition of

“sales price” under the SHIP program in the case of rehabilitations to take into account new living space created by such rehabilitation. Sales price is defined as the value of the real property, as determined by an appraisal dated within 12 months of the date construction is to begin or the assessed value of the real property as determined by the county property appraiser, plus the cost of the improvements.

- To the extent that the Florida Housing Finance Corporation provides the same monitoring and determination, allows entities implementing a local housing assistance plan assisting rental developments to rely on another governmental entity to annually monitor and determine tenant eligibility. Also modifies the existing purchase price limits under the SHIP program to permit an alternate determination from the Treasury’s safe harbor amounts, based on actual statistical sales during the most recent 12-month period.
- Amends the Florida Fair Housing Act to prohibit discrimination in land use decisions or in the permitting of development based on the source of financing of a development or proposed development, in addition to race, color, national origin, sex, disability, familial status, or religion.
- Establishes a State Farmworker Housing Pilot Loan Program. Under the program, the Florida Housing Finance Corporation must make farmworker housing loans to a sponsor. In order to be eligible, a sponsor must agree to set aside at least 80 percent of the units for eligible farmworkers and 100 percent of the units must be set aside for households whose family income does not exceed 50 percent of the adjusted local median income in areas that are not metropolitan statistical areas, or 40 percent of adjusted local median income in metropolitan statistical areas. Rents must be limited to no more than 30 percent of the maximum household income. In addition, the sponsor must use federal funds provided under section 514 or section 516 of Title V of the Federal Housing Act of 1949.

If approved by the Governor, these provisions take effect July 1, 2000, except as otherwise provided.

Vote: Senate 39-0; House 119-0

CS/CS/SB 1334 — Electronic Commerce

by Governmental Oversight & Productivity Committee; Commerce & Economic Opportunities Committee; and Senator Klein

This bill creates a discretionary statutory framework substantially equivalent to the proposed Uniform Electronic Transaction Act of 1999 (UETA) by the National Commission on Uniform State Laws for the validation and effect of records and signatures in specific types of electronically conducted transactions. Specifically, the bill:

- Sets forth requirements for the validation and effect of electronic records and electronic signatures and provides for agreement variation in order to facilitate but not require the use of electronic means in conducting transactions;
- Specifies conduct and certain circumstances that constitute, and those transactions that do not constitute, an electronic transaction subject to the act. The act will not apply to affect the writing and signature requirements in transactions governed by: laws relating to wills, codicils, or testamentary trusts; the Uniform Commercial Code except for ss. 671.107, F.S. (relating to waiver or renunciation of claim or right after an alleged breach) and 671.206, F.S. (relating to statutes of fraud requiring written contract for sale of personal property over \$5,000), ch. 672, F.S. (relating to sales), and ch. 680, F.S. (relating to leases); the Uniform Computer Information Transactions Act; and rules relating to judicial procedure;
- Specifies notarization and acknowledgment requirements;
- Requires first-time notary public applicants to satisfy specific course requirements; and
- Authorizes state governmental entities to implement electronic filing systems for creating, converting, and retaining electronic records.

The bill also requires each county recorder to provide and make available on a publicly accessible website an index of publicly recorded records by January 1, 2002, and a hyperlink access point for obtaining images or copies of those records via the website by January 1, 2006.

In this bill, the State Technology Office succeeds to the authority conferred on the Department of Management Services (DMS) in information technology matters. The head of the office, still made a part of DMS, is the gubernatorially appointed Chief Information Officer. The office is to coordinate the purchase, lease, and use of all state agency information technology. Additional rule-making or policy development authority is conferred on the office in the areas of integrated electronic systems and its attendant fiscal accountability, technology training, and the development of best practices guidelines and an annual report on behalf of the Executive Office of the Governor. In addition, the office is to study and make a recommendation on the feasibility of on-line voting in the state. Additionally, the bill repeals the State Technology Council and re-establishes the Task Force on Privacy and Technology to be staffed by the State Technology Office.

This bill permits state agencies to accept bids and proposals by electronic means for the procurement of personal property and services. Invitations to bid and requests for proposals may also be published by electronic means. The State Technology Office is

required under this bill to develop a program for on-line procurement of commodities and contractual services.

This bill requires Enterprise Florida, Inc., to create a marketing campaign to help attract, retain, and grow information technology businesses in Florida, and requires the Department of Labor and Employment Security to ensure the development and maintenance of a website that informs the public about the information technology industry in Florida. The bill expresses the intent of the Legislature to actively support the development of a NAP in Florida. Furthermore, the bill provides for a five-year sales tax exemption, in the form of a refund, for equipment purchased by a communications service provider that is necessary for use in the deployment of broadband technologies in the state as part of the direct participation by the provider in an Internet traffic exchange point. The sum of \$700,000 in non-recurring General Revenue is appropriated to the Department of Revenue for FY 2000-20001 for the tax refunds.

The bill provides that members of the Public Service Commission Nominating Council who are appointed by the President of the Senate or Speaker of the House of Representatives serve at the pleasure of the respective appointing official. A council member may not be reappointed, except for a member of the House of Representatives or the Senate who may be appointed to two 2-year terms or a person who is appointed to fill the remaining portion of an unexpired term.

If approved by the Governor, these provisions take effect July 1, 2000.

Vote: Senate 39-0; House 116-0

CS/HB's 1153 & 845 — Smoking Areas/Restaurants

by Business Regulation & Consumer Affairs Committee, Rep. Constantine and others (SB 1302 by Senators Webster, Grant, and Diaz de la Portilla)

This bill amends the Florida Clean Indoor Air Act, requiring that, effective October 1, 2000, no more than 50 percent of the seats existing in any restaurant's dining room, at any time, may be located in an area designated as a smoking area. Effective October 1, 2001, no more than 35 percent of such seats may be located in a designated smoking area. This bill also changes the definition of public place to include all restaurants.

If approved by the Governor, these provisions take effect October 1, 2000, and October 1, 2001.

Vote: Senate 37-1; House 95-20

EDUCATIONAL DEVELOPMENT/BLIND SERVICES

CS/SB 924 — Visually Impaired or Blind Children

by Children & Families Committee and Senator Webster

The bill creates the Blind Babies Program within the Division of Blind Services (division) of the Department of Labor and Employment Security. The Blind Babies Program would provide early-intervention education, through community-based provider organizations, to children ages birth through 5 years who are blind or visually impaired, and to their parents, families, and care givers. The bill stipulates that the program is not an entitlement. A formula for eligibility based upon financial means is to be developed, and the division is permitted to set a co-payment fee for families who have sufficient financial means to pay for education received under the program.

The division is directed to establish outcomes for the program, as well as criteria for identifying and contracting with the community-based provider organizations. Community-based provider organizations are required to develop performance measures and report their progress. The bill requires the Office of Program Policy Analysis and Government Accountability to review and report on the program to the Governor, the President of the Senate, and the Speaker of the House of Representatives by January 1, 2002.

The sum of \$1 million dollars (\$470,000 in this bill and \$530,000 in the General Appropriations Act) is appropriated from the General Revenue Fund during FY 2000-2001 to fund the Blind Babies Program.

If approved by the Governor, these provisions take effect July 1, 2000.

Vote: Senate 40-0; House 120-0